

SC FOREST PRODUCTS

INDUSTRY EXPORT REPORT, 2019

Exports of forest productsⁱ from South Carolina amounted to \$1.25 billion in 2019ⁱⁱ, almost 12% less than those reported in 2018 and 7% below export levels in 2015 (Fig. 1). Exports from the top three industries -paper & paperboard, woodpulp, and solid wood products- represented 49%, 35% and 9% of the total reported for 2019 respectively; whereas those from the three bottom sectors: wood furniture, wood chemicals, and equipment/machinery used for pulp & paper manufacturing, together accounted for the remaining 7% (Fig. 2). Asian markets accounted for 39% percent of all wood products exports from South Carolina in 2019, Europe for 27%, and Mexico and Canada for 18%. Central/South America, Africa, and Australia/Oceania accounted for 10%, 4% and 2% of the state's exports in 2019 respectively. Of the 123 total trade partners in 2019, the top five -Canada, China, Mexico, India, and Italy- accounted for 41% of the total value of exports that year (Fig. 3).

**\$1.25
Billion**
2019 Total Exports

**-11.5%
Change**
From 2018

Fig. 1. SC Forest Products Exports by \$USD Value

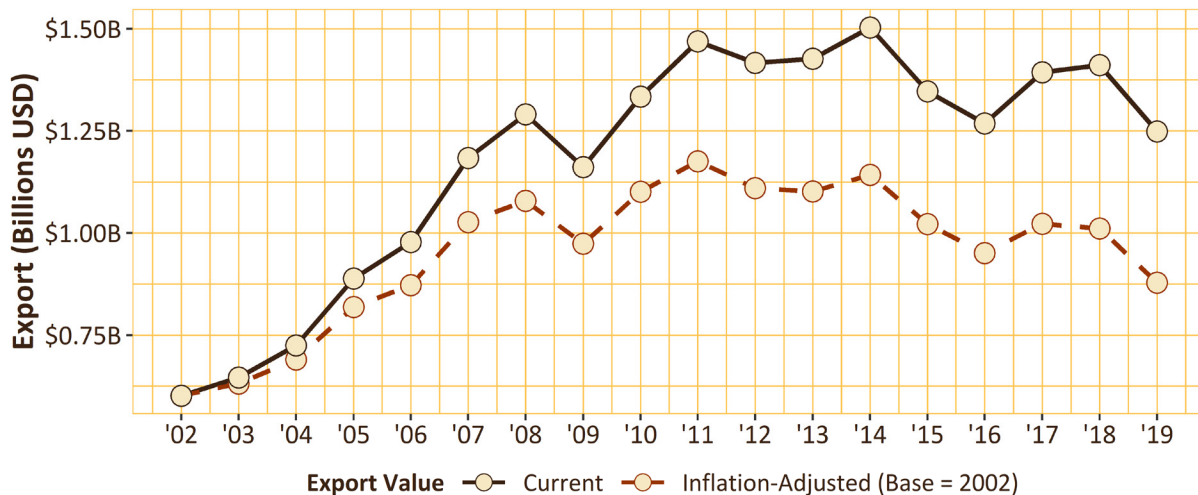


Fig. 2. SC Forest Products Exports by Sector

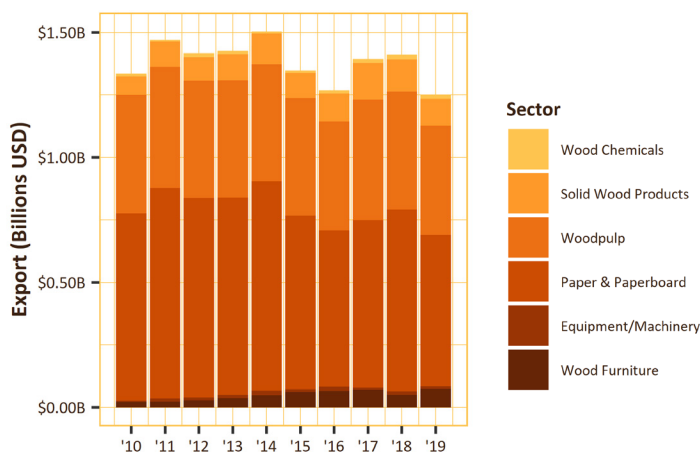
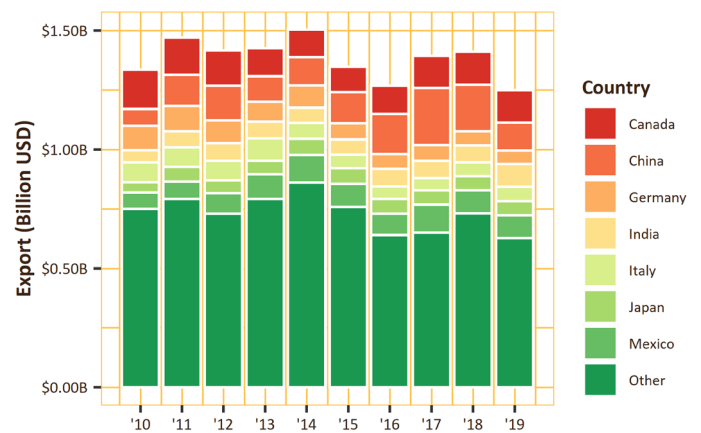


Fig. 3. SC Forest Products Exports by Partner



Paper and Paperboard

Much of the decline in forest products export from SC in 2019 was the result of a decrease suffered by paper and paperboard products. As the primary driver of forest products export from the state, the paper & paperboard sector observed a 17% reduction in the value of its shipments in 2019, falling to a total of \$605 million (Fig. 4a). Uncoated kraft paper (HTS 4804ⁱⁱⁱ) and uncoated paper for writing (HTS 4802), the top two commodities within this sector, accounted for 68% of international sales in 2019 (Fig. 4b) and found their top markets in Canada, Mexico, China, and Germany (Fig. 8). The partners with the most substantial decline in 2019 were the U.K., China, the Philippines, and Canada, which imported \$34, \$19, \$13, and \$10 million less than in 2018, respectively.

**\$605
Million**

2019 Exports

-16.8%

Change from 2018

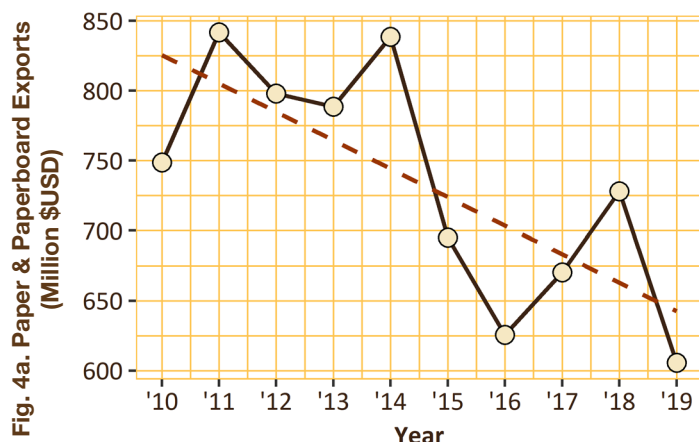
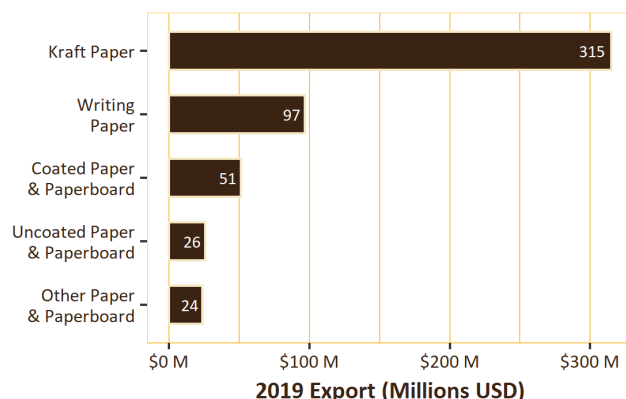


Fig. 4b. 2019 Top Products



Woodpulp

The value of woodpulp exports from South Carolina amounted to \$438 million (Fig. 5a) in 2019. Most of this corresponded to soda/sulfate chemical pulp (85%, HTS 4703) and recovered (waste or scrap) paper and paperboard (14%, HTS 4707) (Fig. 5b). The top three markets for commodities within this industry were India, China, and Japan, which in 2019 accounted for 12%, 11%, and 11% of the sector's total, respectively (Fig. 8). Compared to 2018, woodpulp exports experienced a decrease of 7%, mainly driven by reduced demand from China (-\$33 million), the Netherlands (-14 million), and South Korea (-\$11 million), despite some notable growth in the Indian (+\$15 million) and French (+\$8.5 million) markets. In general, weaker demand from the markets above is the result of a gradual appreciation of the U.S. Dollar and the country's deterioration of trade relations with China (Madigan 2018).

**\$438
Million**

2019 Exports

-7.0%

Change from 2018

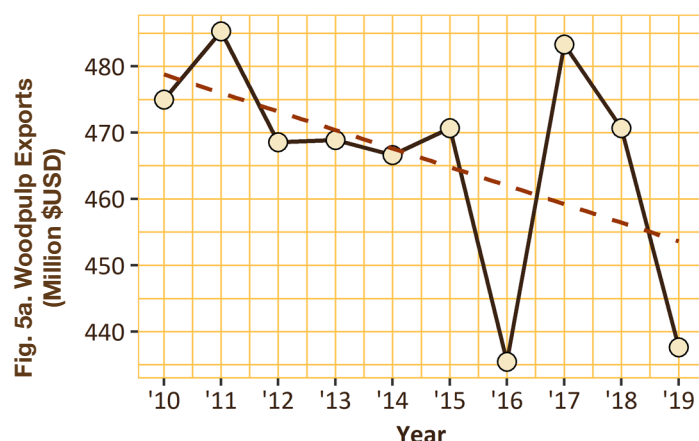
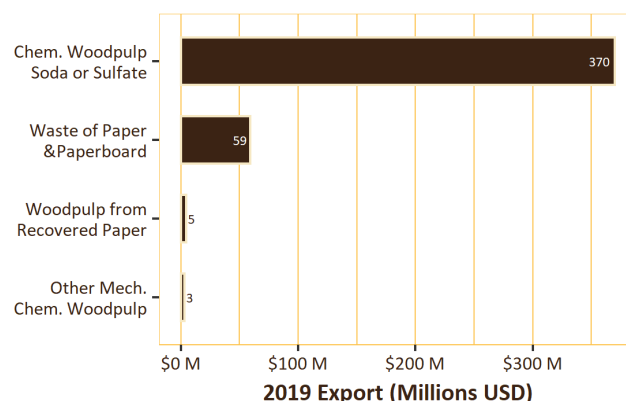


Fig. 5b. 2019 Top Products



Solid Wood Products

Exports of solid wood products, the third sector in importance, totaled \$108 million in 2019 (Fig. 6a). 44% of this corresponded to lumber (HTS 4407), 23% to logs (HTS 4403), and 18% to builder's joinery and wood components (HTS 4418) (Fig. 6b). The top five markets accounted for 62% of the total in 2019: India (17%), China (13%), Canada (12%), Vietnam (12%), and Australia (8%) (Fig. 8). This sector also experienced a decrease in exports: -17% compared to 2018, mostly driven by China (-\$24 million) and Chile (-\$1.2 million), also due to the appreciation of the U.S. Dollar and the current state of trade relations with China (Le 2019).

**\$108
Million**

2019 Exports

-17.0%

Change from 2018

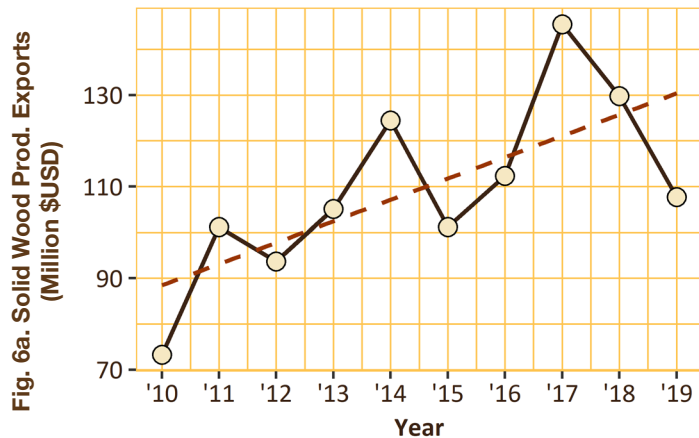
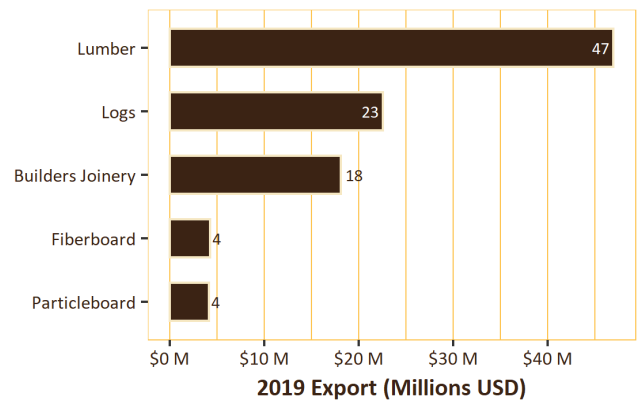


Fig. 6b. 2019 Top Products



Other Sectors

The state's wood furniture sector exported \$73 million in 2019, for a 47% increase since 2018 (Fig. 7a). Almost 94% of this total corresponded to wooden seats, and the top three markets (Fig. 8), whose combined share of the state's exports amounted to 77% in 2019, were: Russia, Thailand, and India (41%, 30%, and 6% respectively). The total exports of wood chemicals from South Carolina amounted to \$14 million in 2019, for a 25% decrease since 2018 (Fig. 7b). Trade with Sweden, South Korea, and Brazil (Fig. 8.) represented 53% of the state's total in 2019 (22%, 16%, and 15%, respectively). Approximately 89% of the value of this sector's shipments corresponded to tall oil.

\$73 Million

2019 Furniture Exports

\$14 Million

2019 Wood Chemical Exports

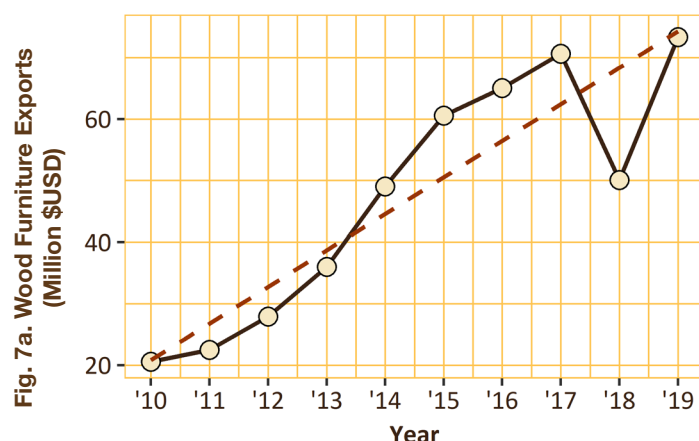


Fig. 7b. Wood Chemicals Exports (Million \$USD)

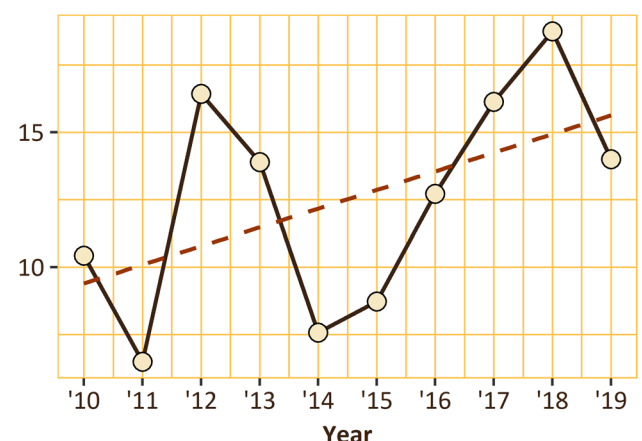


Fig. 8. SC Forest Products Exports in 2019

Top 10 Markets per Sector by Value (Millions \$USD and percentages)

Rank	Wood Chemicals				Solid Wood Products				Woodpulp				Paper and Paperboard				Wood Furniture			
	Country		Export		Country		Export		Country		Export		Country		Export		Country		Export	
			Millions \$USD	%			Millions \$USD	%			Millions \$USD	%			Millions \$USD	%			Millions \$USD	%
1	Sweden		3	22	India		19	17	India		53	12	Canada		93	15	Russia		30	41
2	S. Korea		2	16	China		14	13	China		47	11	Mexico		61	10	Thailand		22	30
3	Brazil		2	15	Canada		13	12	Japan		46	11	China		53	9	India		4	6
4	Netherlands		2	12	Vietnam		13	12	Mexico		31	7	Germany		49	8	Brazil		3	4
5	China		2	12	Australia		8	8	Italy		29	7	U.K.		39	6	Malaysia		3	4
6	Canada		1	7	Pakistan		7	6	Poland		27	6	Ecuador		31	5	Egypt		2	3
7	Thailand		1	5	Japan		5	4	Canada		23	5	Italy		30	5	Mexico		2	2
8	India		<1	3	U.K.		3	3	Malaysia		20	5	Netherlands		27	4	Canada		2	2
9	Portugal		<1	2	New Zealand		2	2	Colombia		19	4	India		19	3	Indonesia		1	2
10	S. Africa		<1	1	Belgium		2	2	S. Korea		18	4	S. Korea		15	3	China		1	2

Africa | Asia | Australia & Oceania | Central/South America & The Caribbean | Europe | North America

List of References

Le, Thi. 2019. *IBISWorld Industry Report:32111 Sawmills & Wood Production in the US. Strong Roots: Low Unemployment and High Corporate Profit Will Drive Growth.*

Madigan, John. 2018. *IBISWorld Industry Report 32211: Wood Pulp Mills in the US. Pulp Friction: Weakened Downstream Demand and Falling Exports Have Inhibited Revenue Growth.*

Notes

ⁱ For the purpose of this report, the term “forest products industry” encompasses five main sectors: wood-based chemicals, solid wood products, woodpulp, paper and paperboard products and wood furniture, as defined in the 2018 U.S.

Harmonized Tariff Schedule for chapters 38 (3803, 3805, 3807), 44, 47, 48 and 94 (940161, 940169, 940330, 940340, 940350, 940360, 940610) respectively.

ⁱⁱ All trade figures offered in this study are sourced from the U.S. Census Bureau’s Origin of Movement Report Series, unless otherwise noted

ⁱⁱⁱ HTS: Harmonized Tariff Schedule Heading



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The goal of this report is to provide timely information on international markets and export activities that are and will be relevant for the development of the South Carolina’s forest products industry. This document offers insights on international trade of the state’s forest products and the most promising destinations for each product category. Historic trade data is based on the U.S. Census Bureau’s “Origin of Movement (OM)” state export series, which is intended to measure state exports on the basis of transportation, not manufacturing origin. The included figures are presented to offer a perspective on the composition of exports from the state, on the basis of origin transportation.